

NOTE: As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.

Only the most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC's office in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT



SPONSOR: Taylor, JG DATE TYPED: 02/06/02 HB 385

SHORT TITLE: NM State Fair Liquor License SB _____

ANALYST: Gonzales

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY02	FY03			
	Indeterminate	Indeterminate	Recurring	OSF

(Parenthesis () Indicate Revenue Decreases)

Duplicates/Conflicts with/Companion to/Relates to _____

SOURCES OF INFORMATION

LFC Files
New Mexico State Fair (Fair)

SUMMARY

Synopsis of Bill

House Bill 385 amends the Liquor Control Act to add the New Mexico State Fair Commission as a governmental entity thereby allowing the entity to sell alcoholic beverages directly or through its lessee at all facilities on the New Mexico State Fairgrounds if the Fair applies for a governmental license. The effective date of the provisions of this bill is July 1, 2002.

Significant Issues

With the passage of this bill, the Fair should be able to strengthen its ability to attract strong vendors to compete for the alcohol concession. Additionally, the Fair should be able to charge more money in the form of guaranteed revenue if the competing vendors no longer have to purchase their own very expensive liquor license.

FISCAL IMPLICATIONS

The New Mexico State Fair is an enterprise agency that uses its self-generated revenue, as opposed to general fund, for its daily operations. Although the increase in revenue is indeterminate at this time, the Fair should generate additional revenue through its alcohol concession thus allowing the agency to further its revenue-generating efforts to make critical repairs to its facilities.

OTHER SUBSTANTIVE ISSUES

Currently, there are two dispenser licenses on the New Mexico State Fairgrounds and used by concessionaires: one is located at the racetrack, which is owned and operated by the Downs of Albuquerque; and one owned and operated by Garduno's of Mexico.

Current state law, Section 60-6A-10 NMSA 1978, the Governmental Liquor License, legally enables certain governmental entities to sell alcoholic beverages by the drink at governmental limited facilities. The law allows a state fair that is held for less than 10 days per year to apply for a governmental liquor license. However, since the New Mexico State Fair hosts events on the fairgrounds year-round in addition to the annual 17-day fair, thus making the Fair ineligible to apply for a liquor license.

POSSIBLE QUESTIONS

- 1) Who would be eligible to bid on the liquor concession at the Fair?
- 2) How would this bill affect the revenue received from the present concessionaires?
- 3) How much money would the New Mexico State Fair have to initially invest for the license?

JMG/prr